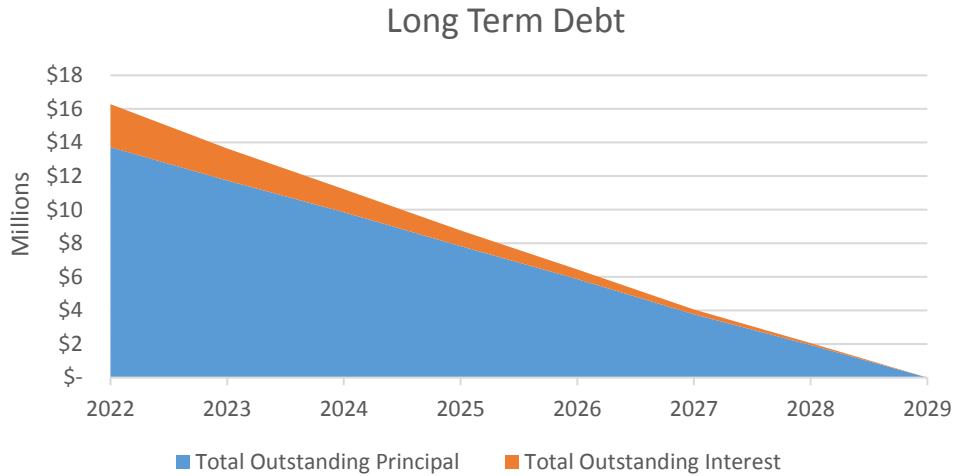


DEBT MANAGEMENT SUMMARY

The County has maintained its Aa2 bond rating since 2007. Moody’s Investor Service last affirmed the rating in May 2019. Debt issued over the last two decades was primarily for rebuilding facility infrastructure. Issuance of debt is managed in compliance with the County’s Debt Management Policy as documented in the [Financial Policies](#). Total outstanding principal and interest in fiscal years 2022 through 2028 are shown in the chart below.



Outstanding Debt as of December 31, 2022

The County issued its debt as general obligation bonds to achieve the lowest possible interest rates. However, all debt is repaid with dedicated revenues rather than property taxes. The bonds for the Courthouse and Juvenile Detention Center projects are repaid with the County’s quarter-cent Public Safety Sales Tax. The Art Bartell facility completed in 2011 is backed by the County’s general sales tax revenues.

Payable from Public Safety Sales Tax Alternate Revenue

Issued in 1999 for the construction and remodeling of the Champaign County Court Facility and for the construction of the Juvenile Detention Center issued for \$23.8 million, the 1999 Issue matures at the end of FY2022.

- Refunded for \$9.795 million in 2014 for the 2005 refunding of the 1999 bond issue. Outstanding principal is \$9.795 million. Principal payments on this issue ensue in FY2023.

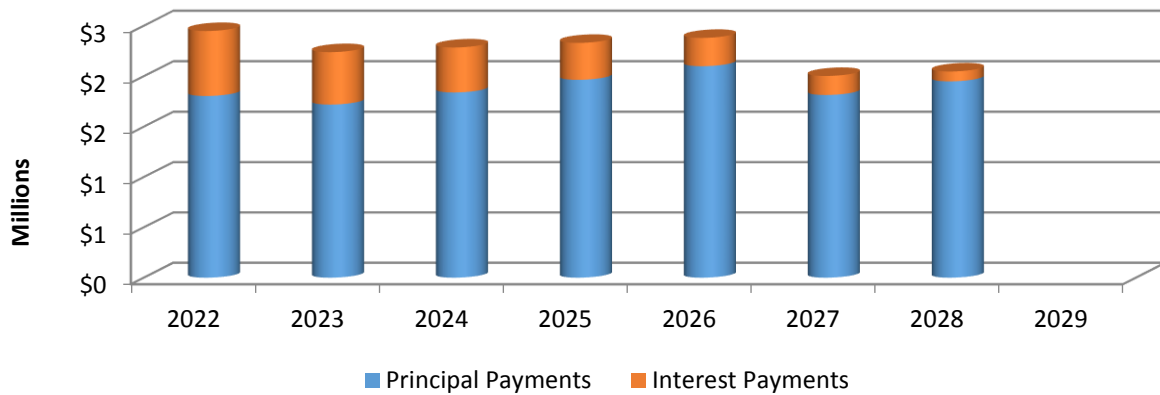
Issued in 2007 for the Courthouse Exterior Renovation and Clock and Bell Tower Restoration project for \$5.955 million. Outstanding principal is \$0.

- Refunded for \$3.775 million in 2016. Outstanding principal is \$1.595 million.

Issue – Public Safety Sales Tax	Amount of issue/refunding	Outstanding Principal end of FY2022	Outstanding Interest end of FY2022
2014 Refunded 2005 Issue	\$9,795,000	\$9,795,000	\$1,822,500
2016 Refunded 2007 Issue	\$3,775,000	\$1,595,000	\$73,868
Total Outstanding	\$13,570,000	\$11,390,000	\$1,896,368

The following chart reflects the County’s outstanding principal and interest for Public Safety Sales Tax debt service in fiscal years 2022 through 2028.

Public Safety Sales Tax Debt Service

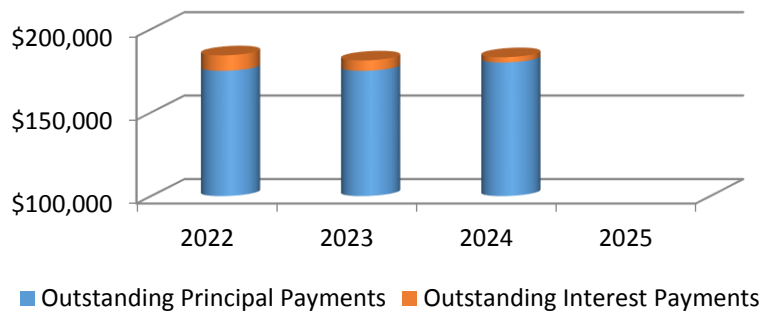


Payable from General Sales Tax Alternate Revenue

A debt certificate was issued in 2011 for the 202 Art Bartell Facility housing the Coroner, Physical Plant, and County Clerk Election Storage for \$1.995 million.

- Refunded for \$865,000 in 2019. Outstanding principal at the end of FY2022 is \$355,000.

General Fund Debt Service



FY2022 Debt Service and Coverage Requirements

Due to bond covenants for debt financing paid from the Public Safety Sales Tax Fund, appropriation for the current fiscal year must be 1.25 times the debt service. In conjunction with the budgeted sales tax revenues in FY2022, the fund balance reserve for debt service in FY2022 is \$612,071.

Payable from Public Safety Sales Tax	Principal	Interest	Total
Series 1999	\$1,420,000	\$117,150	\$1,537,150
Series 2014	\$0	\$489,750	\$489,750
Series 2016	\$385,000	\$36,383	\$421,383
Total	\$1,650,000	\$755,361	\$2,448,283

Payable from General Sales Tax Alternate Revenue	Principal	Interest	Total
Series 2019	\$175,000	\$9,275	\$184,275

Effects of Debt on Current Operations

In FY2022, 43% of Public Safety Sales Tax revenues are appropriated to pay for debt service. Debt obligations reduce the availability of funding for public safety operations. Historically, the level of debt service has been around 50% of revenues; however, the Level the Playing Field legislation effective in January 2021 has increased revenues allowing for increased operations funding in FY2022.

Debt Financing Plans

The County's 2014 Issue is callable in January 2025, at which time it is expected the County will refund the Issue to generate savings. Currently, the County does not have a documented plan for issuing additional debt. Discussions of consolidating the dilapidated downtown Sheriff's Office and Correctional Center with the Satellite Correctional Center have been ongoing. A Special Committee on Jail Facilities has been tasked with presenting a plan or plans to 1.) Close and develop a plan for the future of the property at the downtown jail 2.) Relocate the Sheriff's Office to new or rehabilitated space 3.) Modify the Satellite Jail considering accommodating safe separations of conflicting classifications of inmates, education and training rooms, library, expanded medical offices, expanded recreation facilities and equipment, and low or single occupancy rooms for isolating people for both disease and other safety concerns, and 4.) Presenting proposals to the finance plans 1-3.

Debt Limitations

Pursuant to 55 ILCS 5/5-1012, the County's debt limit is 5.75% of Assessed Valuation. The real estate year 2021 gross equalized assessed valuation for Champaign County is estimated to be \$4,842,447,350. By the statutory definition, the County's debt limit is \$278,440,723. The expected County debt applicable to the debt limit on January 1, 2022 is as follows.

Debt	Amount
General Obligation Bonds	\$13,195,000
Debt Certificate	\$530,000
Total Debt	\$13,725,000
Total Subject to debt limit	\$13,725,000

The legal debt margin is \$264,715,723 as of January 1, 2022.